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May 13, 2004

ORIGINAL

Ms. Marlene H. Dortch
Federal Communications Commission
Office of the Secretary
445 12th Street SW
Washington, DC 20554

RE: RE: Ex Parte Presentations in PP Docket No. 00-67 (Compatibility Between Cable Systems and Consumer Electronics Equipment) and MB Docket No. 02-230 (Digital Broadcast Content Protection).

Dear Ms. Dortch:

This is to notify the Office of the Secretary that on May 11, 2004, Beth Berke, Mitch Singer and Hope Boonshaft of Sony Pictures Entertainment, along with Alicia Smith of The Smith-Free Group, met with the following FCC representatives:

Media Bureau:

Rick Chessen
John Gabrysch
Alison Greenwald
Mike Lance
Susan Mort
Jeff Neuman

Office of Strategic Planning & Policy Analysis:

Amy Nathan

Office of Engineering & Technology:

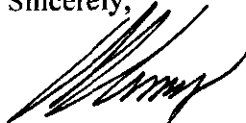
Steven Broeckaert
Bruce Franca
Alan Stillwell

The meeting covered discussions of possible models for how a home network might function.

The attached power point was presented.

In accordance with Section 1.1206 of the Federal Communications Commission Rules, this original and one copy are provided to your office. A copy of this notice is being distributed to the parties mentioned above.

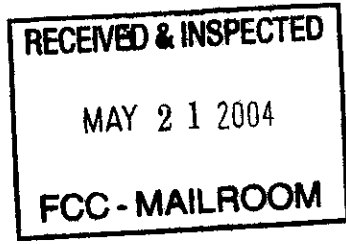
Sincerely,



Mitch Singer

Home Networking

Sony Pictures' thoughts on
networked media



Sony Pictures Confidential - Do Not Distribute

Current situation

Technology advances now allow content providers to more effectively manage content

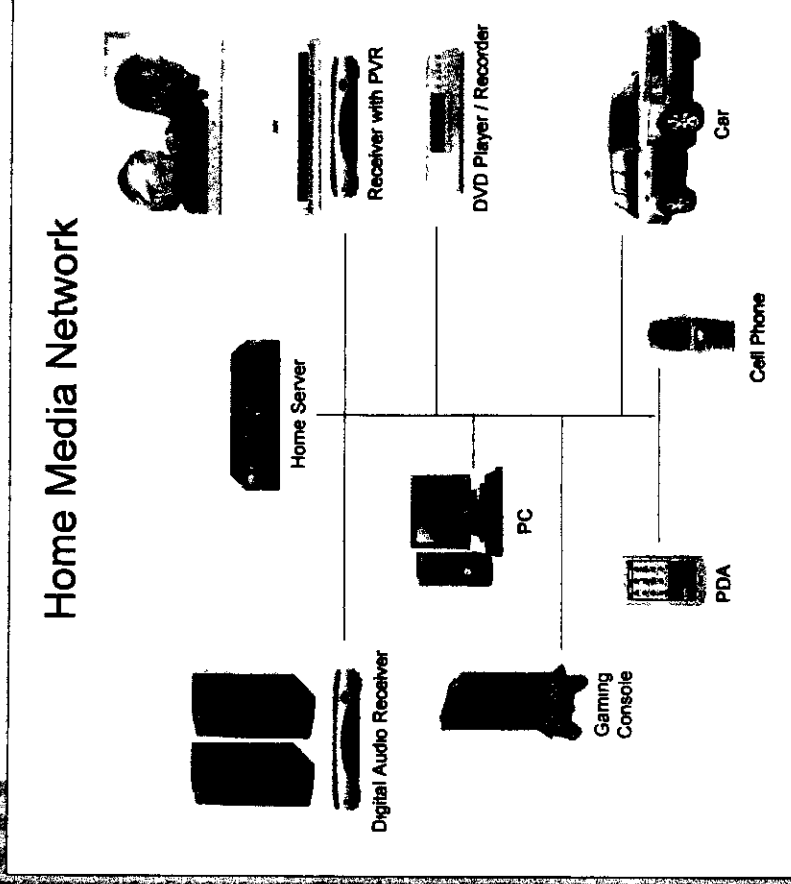
- Consumers are networking their homes and we now have the opportunity to offer consumers networked media opportunities
- Without a legitimate model for networked media, consumers may seek to circumvent copy protections on existing formats
- Consumers need an understandable, consistent way to use content in a home network

Home Networking

Hollywood, CE and IT need to develop a model for home network distribution that:

- Maintains the very delicate balance between the protection of intellectual property and digital flexibility, including portability
- Addresses issues voiced by all of the major players, including CE, IT, Consumers and Content Providers
- Meets reasonable expectations of consumers by managing ****multiple copies**** of premium content in a protected environment

Home Media Network

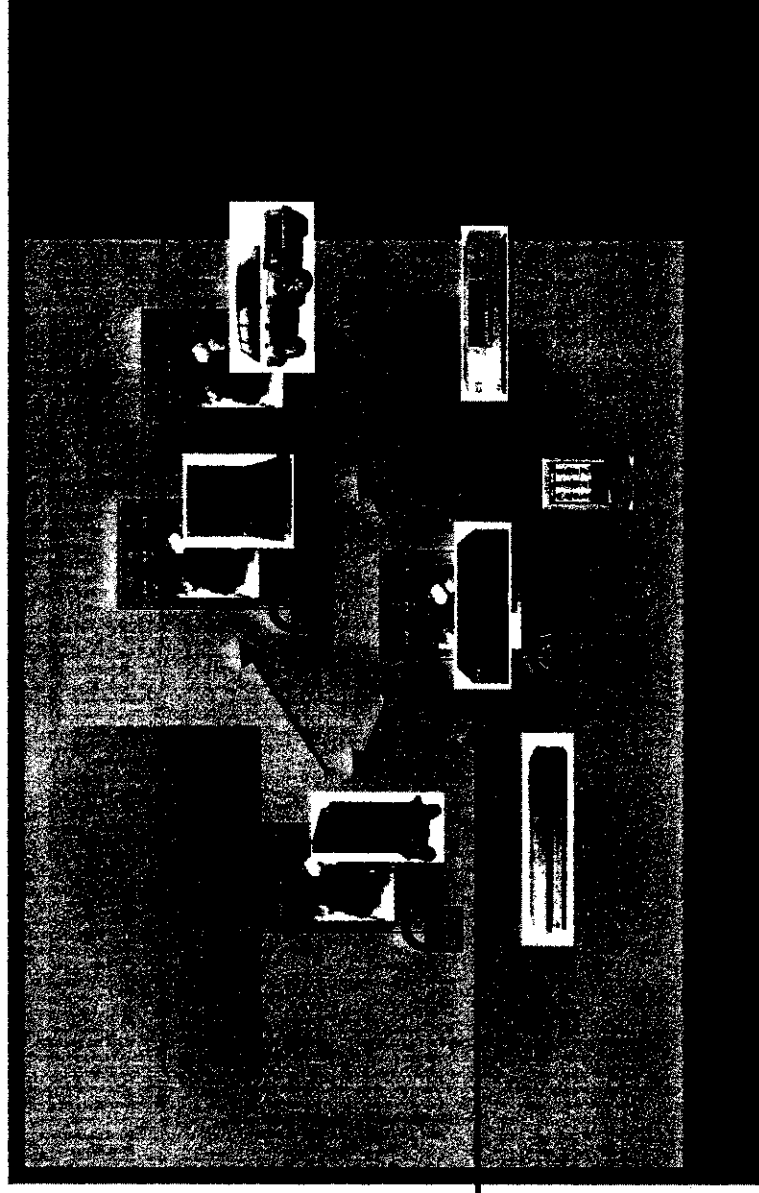


A **Home Media Network** is a set of household devices that may share content freely.

The Home Media Network might include devices such as set-top-boxes, televisions, PCs, cars, and portable devices.

Networked Content - Example

Home Media Network



User buys a digital copy of Spiderman and electronically downloads the video



3. User requests to view Spiderman on other devices

2. User adds Spiderman to his Home Network, making it Networked Content

Sony Pictures Confidential - Do Not Distribute

A Potential Consumer Experience

The following slides offer an example of how a consumer might interact with his/her Home Media Network...

to the Smithsonian Media Network

WATCH LIVE TV

ORDER VIDEO ON DEMAND

LISTEN TO MUSIC

VISIT YOUR MEDIA LIBRARY

SURF THE INTERNET

CHECK E-MAIL

PLAY GAMES

to the Smith Home Media Network

WATCH LIVE TV

ORDER VIDEO ON DEMAND

LISTEN TO MUSIC

AND VISIT YOUR MEDIA LIBRARY

SURF THE INTERNET

CHECK E-MAIL

PLAY GAMES

to the Shield Home Media Library

THE
SHIELD

TV

Music

My Creations

Family Photos

Movies

▶ Go Back

▶ Proceed



to the South Home Media Library

THE
SHIELD

TV

Music



My Creations

Family Photos



My Photos

► Go Back

My Photos

to the Smithsonian Media Network Theater

Blackhawk Down
Charlie's Angels
Gandhi
Kramer vs Kramer
Lawrence of Arabia
Men in Black II
Mr. Deeds
Panic Room
Spider-Man
Stuart Little 2
XXX

▶ Go Back

▶ Proceed

to the Smith Home Media Network Theater

Blackhawk Down
Charlie's Angels
Gandhi
Kramer vs Kramer
Lawrence of Arabia
Men in Black II
Mr. Deeds
Panic Room
Spider-Man
Stuart Little 2
XXX

► Go Back

► Proceed

Smith Home Media Network Theater



YOU HAVE SELECTED SPIDER-MAN

Playing time: 121 minutes

Starring Tobey Maguire & Kirsten Dunst

Columbia Pictures, 2002

- ▶ Play Now
- ▶ Delete
- ▶ Send
- ▶ Go Back

From the Smith Home Media Network

SEND TO:

Q DVD Recorder

Mitch's Clie

Susie's Vaio

Jim's Lexus

Brian's PS2

► Go Back

► Proceed

VAIO

FULLSCREEN SPECIAL EDITION DVD

James Media Network



to the Smith Home Media Library

REMINDER:

After adding this program to your home media network, this DVD will only play on your home media networked devices.

Spider-Man DVD

Susie's Vaio

▶ Go Back

▶ Add Now

The Opportunity

For content providers...

- Resell library content
 - Entire collections will be available in a new, more flexible, networked format
- Sales velocity
 - More content will be available through new ubiquitous "storefronts" (gas pump, grocery store, hotel room etc.)
- New content
 - New and niche content that has previously been difficult to sell economically (music videos, TV library, foreign language) will be available

The Opportunity

For hardware and software manufacturers...

- Replacement sales
 - Consumers will be able to replace existing devices such as PVRs, DVD players and PCs, beginning a cycle of upgrades for years to come
- New devices
 - New classes of devices such as home media servers, vehicle media systems and portable video players will be available to consumers to take advantage of new possibilities.

The Opportunity

For service operators...

- New storefronts
 - Consumers will have an opportunity to buy through multiple new storefronts offered by retailers, wireless carriers, broadband carriers, cable companies, satellite companies and others
- New network services
 - Consumers will have an opportunity to seek Incremental, value-added services that offer media backup/insurance, home network set/support or even remote access, and other services

The Opportunity

For Consumers...

➤ Convenience

- Consumers will have an opportunity to acquire network content through ubiquitous "storefronts"
- ### ➤ Multiple copies of premium content
- Consumers will be able to make multiple copies of premium content in the home network
- ### ➤ Consumers' content will be portable
- Consumers will be able to take content with them where ever they go

Vision for Networked Media

- Mom gets in the car, accesses the home media server.
- From a list of 84 titles, she selects Stuart Little for the Jimmy and Lois to watch in the car on the way to the store.
- At the store, Jimmy sees a Dragon Tales disk that he wants and asks Mom to get it for him.
- Mom buys Dragon Tales and Jimmy loads it into the car to watch on the way home.
- When they get home, the car connects to the home media server and uploads Dragon Tales.
- Jimmy goes to his room, accesses the home media server and finishes watching Dragon Tales.

Vision for Networked Media

- Meanwhile, Dad stops at the gas station on his way home and sees an ad for Spiderman II at the pump.
- He decides he'd like to watch it on his business trip, so Dad buys it from the pump through his portable device.
- When Dad gets home, the portable connects to the home media server and his laptop.
- The portable device uploads Spiderman II to both devices.
- The following day at the hotel, Dad connects his laptop to the hotel TV and watches Spiderman II.
- The next night, Dad buys Legend of Zorro through the hotel based on a "If you liked Spiderman II..." recommendation from his wireless carrier.
- Dad captures Legend of Zorro on his laptop, which automatically uploads to the home media server when he gets home.